

**CITY OF ARLINGTON, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TMRS FUNDING
LAST THREE FISCAL YEARS (Unaudited)**

The following table discloses certain three-year historical trend information presenting the City's progress in accumulating sufficient assets to pay benefits when due (amounts expressed in thousands, except for percentages):

| Actuarial Valuation Date | Actuarial Value of Assets | Actuarial Accrued Liability (AAL) Entry Age | Unfunded AAL (UAAL) | Funded Percent | Annual Covered Payroll | UAAL as a Percentage of Covered Payroll |
|---|--|--|------------------------------------|---------------------------|---------------------------------------|--|
| 12/31/00 | 267,933 | 333,403 | 65,469 | 80.4% | 100,657 | 65.0% |
| 12/31/01 | 290,670 | 363,021 | 72,351 | 80.1% | 110,577 | 65.4% |
| 12/31/02 | 316,095 | 397,483 | 81,388 | 79.5% | 110,722 | 73.5% |

**CITY OF ARLINGTON, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION TRUST-PART-TIME DEFERRED INCOME TRUST PLAN
LAST THREE FISCAL YEARS (Unaudited)**

The actuarial assumptions used in the July 1, 2002, actuarial valuation included were (a) 6.50 percent investment return, (b) no inflation rate adjustment, and (c) 4.50 percent salary increases. The accrual basis of accounting is utilized by the PDIT fund. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs of the plan are financed through investment earnings. Cash and cash equivalents are stated at cost that approximates fair value. Investments are stated at the approximate value of the financial asset based on either the month end price, the last available price, or the last available activity. The actuarial accrued liability was determined using the entry age normal cost method.

The following table discloses certain three-year historical trend information:

| Actuarial Valuation Date | Actuarial Value of Assets | Actuarial Accrued Liability (AAL) Entry Age | Funded Percent | Excess Funded AAL (EAAL) | Annual Covered Payroll | EAAL as a Percentage of Covered Payroll |
|---|--|--|---------------------------|---|---------------------------------------|--|
| 7/1/00 | 808,509 | 591,521 | 136.7% | 216,988 | 2,500,507 | 8.7% |
| 7/1/01 | 903,407 | 723,198 | 124.9% | 180,209 | 2,443,735 | 7.4% |
| 7/1/02 | 891,460 | 834,006 | 106.9% | 57,454 | 2,415,348 | 2.4% |

* Valuation results for 7/1/2001 were estimated based on 1/1/2000 and 7/1/2002 valuations.

** An actuarial valuation was not performed as of 7/1/2003